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# Spotlight ON FOREIGN MARKETING



TO FAS MARKET DEVELOPMENT COOPERATORS AND AGRICULTURAL ATTACHES

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## INTERNATIONAL COTTON INSTITUTE ORGANIZED

Countries accounting for approximately half of the world's cotton exports announced March 4 the creation of the International Cotton Institute for research and promotion to stimulate cotton consumption.

The announcement was made by the President, Rodriguez Adame of Mexico, at the conclusion of a four-day meeting held at the Department of State in Washington. The other officers included: Abdel Latif Ezzat, United Arab Republic, First Vice President; Dorothy Jacobson, Assistant Secretary of Agriculture, USDA, Second Vice President; and M. G. Kaul, Minister, Embassy of India, Washington, Third Vice President. Read P. Dunn, Jr., Cotton Council International, was named Executive Director.

Members of the organization are cotton-exporting countries. The original members are United States, Mexico, United Arab Republic, Sudan, India and Spain. Other cotton-exporting countries, according to President Adame, will be urged to join the Institute. "We hope," said Mr. Adame, "the Institute will have as members in

CURRENT SERIAL RECORDS



READ P. DUNN, JR. (right), Executive Director of the newly formed International Cotton Institute, being congratulated on his appointment by Rodriguez Adame of Mexico, the President of the organization. A world program for cotton promotion is planned. Dunn is taking leave of absence from his post as Executive Director of Cotton Council International, the U.S. market development cooperator for cotton. Carl C. Campbell has been appointed Acting Executive Director for CCI.

a short time countries representing at least three-fourths of the cotton export trade."

The official headquarters temporarily will be Washington; the principal operating office will be Brussels, Belgium.

The Institute members agreed to subscribe \$1.00 per bale on their exports to Western Europe and Japan for programs of market research, technical utilization research, public relations, and sales promotion to stimulate the demand for cotton. Initially, program activities will be concentrated in Western Europe and Japan, which account for about three-fourths of the world's cotton imports.

"The total consumption of textiles and textile fibers in the world, figured on a cotton equivalent basis," Adame said, "has almost doubled since 1950."

"The increase in the past decade and a half exceeded that of the previous half century," he said, "and there is every indication with growing populations and rising living standards the total market demand will continue to expand at a rapid rate." Mr. Adame said that cotton must take advantage of this enormous opportunity by improving its qualities and stimulating demand through research and promotion.

The main problem, he said, is the competition of the man-made fibers in the markets of the world. The demand for the world's oldest and most versatile natural fiber—cotton—is being reduced, he added, by the competition of the fibers produced in the test tubes of the factories.

Cotton's share of the world market on a cotton equivalent basis has slipped from 68 percent to 55 percent in just 15 years, Mr. Adame said, and cotton's loss has been a gain for the artificial fibers—mostly the high-priced non-cellulosic fibers.

Cotton Council International promotion programs in Western Europe and Japan will be merged with those of the

new organization. After January 1, 1967, CCI will concentrate its efforts in other areas and activities specifically affecting U.S. cotton exports.

## WORKSHOPS WELL ATTENDED

Most cooperator representatives overseas and agricultural attaché posts with market development responsibilities were represented at the January 24-February 16 market development administrative workshops in Tokyo, Cairo, Zurich and Rotterdam. Subsequent meetings with cooperators and attaches at Beirut, Frankfurt, Brussels and London brought the total attendance to 174 people.

The workshops provided an open forum for general discussion of all phases of market development administration, as well as meetings with individual cooperators and attaches on specific problem areas. Considerable emphasis was given in sessions with attaches to marketing plans and means of improving their administration and effectiveness in the program.

Better understanding and knowledge of market development administrative procedures appears to have resulted. Several attaches reported a noticeable improvement in market development administration following the workshops of a year ago and have indicated that the sessions just concluded will also make a substantial contribution.

## SPECIALTY FOODS SHOW GOES WELL IN LONDON

Representatives of the British food trade responded favorably to the February 22 - March 4 U. S. Specialty Foods Exhibit in London.



## JAPANESE TEAM TOURS U.S. POULTRY INDUSTRY



JAPANESE REPRESENTATIVES and guests of IAPI at the Washington luncheon for the Japanese poultry team. Left to right: Harold M. Williams, President, IAPI; Setsuo Kosaka, Technical Officer, Japan Ministry of Agriculture & Forestry; Mrs. Yutaka Yoshioka; Mr. Yoshioka, First Secretary, Embassy of Japan; and Katsunari Toyoda, Country Representative, IAPI, Japan.

Ninety U. S. firms and their overseas representatives offered for taste-testing and sale more than 600 American specialty items, such as spiced Hawaiian pineapple, smoked turkey, Maine deviled lobster, Ohio wines, Texas tortillas, and a wide range of confections, cocktail snacks, and cheeses and sauces.

An early visitor to the exhibit was the Lord Mayor of London, Sir Lionel Denny, who as chairman of J. L. P. Denny, heads one of the largest food-importing firms in the U. K.

The exhibit was sponsored cooperatively by FAS and two U.S. food trade associations, the National Association of the Specialty Food Trade, Inc., and the Grocery Manufacturers of America, Inc.

A Japanese team of 139 people, one of the largest trade teams ever to visit the U. S., were here February 8-26 on a get-acquainted tour of the American poultry industry. All but four of the team members traveled at their own expense.

The team included the Technical Officer of Ministry of Agriculture, and large delegations from the Japan Poultry Processors Association and the Japan Federation of Junior Meat Dealers. (The meat dealers recently became interested and are now handling poultry along with other meat products.) Katsunari Toyoda, Japanese representative, Institute of American Poultry Industries, and Hideaki Hirai, Marketing Specialist, IAPI, and Kuniharu Kiyomiya, Agricultural Marketing Assistant, Office of the U.S. Agricultural Attache, accompanied the team.

One of the first stops was at the Kansas City annual "Fact-Finding Conference" of the Institute of American Poultry Industries where a special meeting was arranged for the foreign visitors. The National Broiler Council and National Turkey Federation presented ideas to the group on merchandising and promotion of poultry products. The group moved on to Chicago where visits were made to the distribution facilities and supermarkets of the Jewel Tea Company. An IAPI dinner for the team in Chicago was attended by the Japanese Consul General, Yasuhiko Nara. In Washington, D.C., the team was welcomed by Under Secretary of Agriculture, John A. Schnittker, and was hosted at a luncheon

by IAPI at which Congressman Harold D. Cooley addressed the group. Congressman Harlan Hagen, who also spoke, and Yutaka Yoshioka, First Secretary and Agricultural Attache Japanese Embassy, were among the honored guests attending the luncheon.

Japanese purchases of frozen U.S. poultry have gone from less than a quarter million pounds in 1961 to over 11 million pounds in 1965. Imports by Japan of U. S. poultry breeding stock have also been greatly expanded. About 70 to 80 percent of the record volume of U. S. feed grain exports to Japan is going into poultry feeds.

## HONG KONG SHOW

An American Food Products Exhibition will be held at the new International Display Center in Hong Kong, August 29 - September 2.

The exhibition will emphasize selected American food products expected to be of interest to traders in the Hong Kong area. Food trade representatives from Singapore, Manila and other nearby points will also be invited. The show will follow the August 15-26 Processed Foods Exhibit in Tokyo and precede the September 5-13



Shown discussing a possible rice advertising campaign in Germany are (left to right) L. O. Tiedt, General Manager, Rice Council; George Luthke, President, German Rice

Millers Association; John R. Farris, Director, Foreign Market Development, Rice Council; and Kenneth Murray, Assistant Agricultural Attache, Bonn.



Poultry Trade Center Exhibit in Tokyo, thus giving many U. S. exhibitors a chance to get maximum trade participation at a minimum of expense.

Interest in the Hong Kong exhibition developed from a 1965 market profile study sponsored by FAS, indicating opportunities for expanded sales of U. S. processed foods, particularly frozen poultry and poultry parts; canned meats, certain fruits and vegetables; canned fruit and vegetable juices; wheat products; and milk-based infant foods. Annual imports of food (exclusive of rice) in Hong Kong are presently be-

tween \$85 and \$100 million, about 25 percent of which is coming from the U.S.

#### ARTICLE OF INTEREST

"The Trend to Cooperative Exporting," Business Management, January 1966. The article tells how a number of large, big-name companies with well established overseas distribution outlets are exporting the products of smaller companies that have no such outlets.



## HERE and THERE

The U. S. Grain Trade Exhibit and Seminar at the Tokyo Trade Center, March 7-18, featured talks by U. S. technicians: R. Frank Frasier, National Broiler Council; Dr. E. C. Schnetzler, DeKalb Agricultural Association, Inc.; Ed. E. Griffin, American Feed Manufacturers Association; G. Ted Cameron, Mountaire Poultry Co.; Dr. J. C. Snyder, Purdue University; Dr. H. L. Fuller, University of Georgia; and Dr. V. C. Speer, Iowa State University.

The American Seed Trade Association met with FAS February 25 to discuss marketing plans procedures and prospects for international seed trade. Six ASTA representatives were present, including: William R. Herron, President, and Kenneth Christensen, Chairman, International Committee.

Alexander Boggio and James Iso, Directors of the National Renderers Association offices in Rome and Tokyo, will be in Chicago the week of March 21 to review their 1967 marketing plans with the NRA foreign marketing committee, staff and directors. Ivan Johnson, Chief, Foreign Marketing Branch, Livestock and Meat Products Division, will be present.

Sitos, a Dutch organization, is joining forces with Great Plains Wheat in a bread consumption campaign for the Netherlands. The organization has 22 large bakeries and serves about 25 percent of the Dutch market. The same group promoted doughnuts a few years ago with GPW and FAS support.

American Express is among the U. S. organizations now offering services to exporters of agricultural products. Its Export Marketing Service through 56 overseas American Express offices includes market information, assistance in selecting overseas outlets, financing facilities, international freight services, and centralized storage facilities.

Three cooperators - U.S. Feed Grains Council, Soybean Council of America, and the National Renderers Association - have been working with the Italian Butchers Federation to promote expanded production and sale of pork as a means of bringing about increased livestock feeding of corn, soybean meal and tallow in Italy. Window display contests for pork cuts were held in four Italian cities last summer. In Turin, sales of pork in the weeks following the contest increased 100 percent. In Rome, a butcher's cooperative is now selling 500 hogs a month as compared to none before the promotion began.

Jack McDonald, recently Assistant Agricultural Attache in Ottawa, is now on Secretary Freeman's staff as Assistant to the Secretary for Press. He succeeds Rod Leonard, who is now Deputy Assistant Secretary.

"Two Years, 39 Days and 60 Seconds" is the title of a new 18-minute film produced by the Columbia Broadcasting System for the Grocery Manufacturers of America. The film shows what it takes to test and market a new product and the time involved from the moment the idea is born until the product reaches the grocer's shelf. The FAS International Trade Fairs Division is using a print in connection with promotions of agricultural food products overseas.

Continued expansion of U.S. overseas agricultural markets was one of six points emphasized by President Johnson in the February 10 White House Message on Food for Freedom. The President believes increased purchasing power among the hundreds of millions of consumers in developing countries will help them become good customers of the American farmer.

A colorful brochure on "U.S. Butter - The Quality Story" has just been published by Dairy Society International and FAS. Copies have been made available to attache offices for distribution overseas. The booklet shows how modern handling assures good butter and how quality is guarded through processing to packaging. Also included is information on grades, packaging requirements, contracts, grading certificates, shipping and handling.

FAS Administrator Ray Ioanes was in Tokyo March 4-14 to participate in the opening of the U.S. Livestock Feed Exhibit and Seminar and to confer with Japanese and U.S. officials. U.S. Ambassador Reischauer and a large delegation of tradespeople attended the opening ceremonies at the Exhibit.





